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DAVID M. SMITH Manager Environmental Remediation Burlington Northern Santa Fe

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October 7, 1997

Mr. Paul Heimowitz Washington Department of Ecology P.O. Box 47600 Olympia, Washington 98504

Re: NRDA Steilacoom, Washington

Dear Paul:

As we have discussed previously, The Burlington Northern Santa Fe Railway Company (BNSF) would like to formally propose a mitigation project as a result of petroleum released near Steilacoom, Washington on February 8, 1996.

This proposal would involve a monetary contribution of \$48,800.66 to the Nisqually River Basin Land Trust to be used toward the acquisition of a 23.77 acre parcel of estuarine saltmarsh and a small wooded watershed (map enclosed). This dollar amount was derived through the use of Chapter 173-183 WAC, Preassessment Screening and Oil Compensation Schedule Regulations. It is BNSF's understanding that this contribution would fulfill all requirements and obligations related to natural resource damages associated with the above referenced release.

Please contact me regarding your assessment of this proposal.

M. Small

Enclosure



Nisqually River Basin Land Trust

P.O. Box 1148 Yelm, WA 98597-1148 Olympia (360) 923-1808 Tacoma (206) 761-1652 FAX (206) 759-2941

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Douglas Miller

June 19, 1997
Mr. Paul Heimowitz
Washington Department of Ecology
P. O. Box 47600
Olympia, Washington 98504

RE: Burlington Northern Mitigation Fund

Dear Mr. Heimowitz,

It recently has come to our attention that the Department of Ecology is seeking a project to implement with the \$60,000 mitigation payment required of Burlington Northern for the February 1996 spill near Tatsolo Point, and that the project should involve protection and/or enhancement of estuarine habitat.

The Nisqually River Basin Land Trust is prepared to assume the mitigation implementation responsibility and offers a specific estuarine habitat acquisition and protection project for the funds. Our proposal is as follows:

- 1. The BN mitigation funds be added to the Nisqually Delta Environmental Mitigation Trust (EMT), established by Ecology and others to implement the mitigation component of the Lone Star settlement, and be subject to the existing Trust Agreement. The NRBLT is the Trustee for implementing the EMT. Adding the BN mitigation funds to the EMT would insure a long-term stable framework for practical implementation of this relatively small mitigation payment.
- 2. The BN funds within the EMT be used to acquire for permanent protection a 23.77 acre parcel located in Thurston County. This parcel, which is described further below, includes estuarine habitat and threatened upland buffer.
- 3. The NRBLT would ask BN for a separate donation of \$3000 to support the Land Trust and defray expenses associated with this project.

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We suspect that this 23.77 acre acquisition will cost more than \$60,000; inclusion of the BN funds in the larger Environmental Mitigation Trust allows for leveraging of funds to acquire this larger and very suitable mitigation site. Linking with the EMT also could provide a vehicle for expanding this protected area through EMT acquisition and protection of adjacent estuarine and buffer habitat.

The target parcel is located about 1/2 mile west of the Nisqually Delta and Luhr Beach. It is owned by Helen Scott, a willing seller, and is currently undeveloped. The northern portion of the property (see attached map) covers a small estuarine slough.

The southern portion of the property contains a small steep-sloped valley that is heavily wooded. Freshwater flows to the estuarine slough from this southern portion from a number of springs located along the steep slopes.

The habitat value of the property is substantial. Tidal flow into the slough is by means of a small channel that cuts through a natural barrier beach. The estuarine habitat is in very good condition. In addition, there is a small Great Blue Heron rookery on the property.

The Trust Agreement for the EMT requires review of all projects by an Oversight Committee. The Department of Ecology provides one of three members for this committee. If you and Burlington Northern agree to proceed as we have outlined above, or in some other manner decide to involve the EMT, we would want to review this with the Oversight Committee and receive its concurrence.

In the meantime, we are proceeding with an appraisal for this Scott property and expect to receive it in about two weeks. We would anticipate being able to acquire the parcel in 2-3 months.

Please contact me at (360) 438-8687 if you have any questions concerning this proposal. We would be available to meet with you and representatives of BN at any time to discuss this proposal further, or to visit the Scott property.

Sincerelv.

George F. Walter

President